

Sumter County Board of County Commissioners
Capital Improvement Plan Policy

A capital improvement plan (CIP) is a long-range plan of purchasing, constructing, and maintaining the County's capital assets. A capital budget is the portion of the operating budget that funds capital costs. To effectively manage debt and project cash flows, the County shall strive to maintain a CIP for a five-year period. As resources are available, the most current year of the CIP will be incorporated into the current year's operating budget. The CIP will be reviewed and updated annually.

For the purposes of this policy, land, land improvements, and building projects with a cost of \$50,000 or more and a useful life of at least ten (10) years shall be classified as a capital asset.

The County's objective is to meet the capital needs of the County in a manner that is most beneficial to the citizens. Projects in the CIP shall be prioritized during the annual review. The following criteria shall be considered in prioritizing projects:

- Does the project eliminate a public hazard?
- Does the project eliminate existing capacity deficits?
- Is the project located to meet the need of projected growth patterns?
- Does the project accommodate new development and redevelopment service demands?
- Is the project consistent with regional or state agency plans?
- Does the project maintain adopted level of services standards?
- Does the project improve efficiency?
- Does the project provide a new service?
- What is the expected useful life?
- What is the effect on operation and maintenance costs for the project?
- What are the available state/federal grants for the project?
- What are the prior commitments for the project?

The County shall strive to allocate approximately 10% of the annual general fund budget toward the addition and replacement of capital assets.